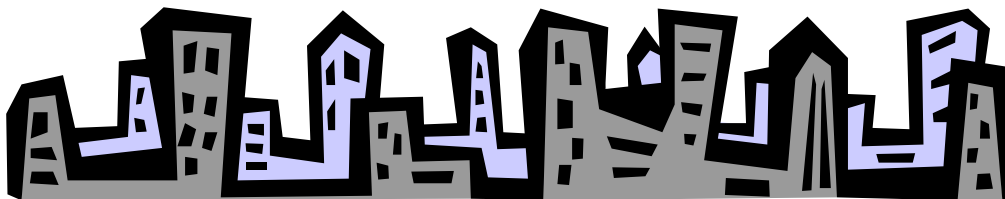


# **CITY OF DURHAM COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**



**FY 2004-05  
APPLICATION FOR FUNDING**

---

## **DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT**

### **Mailing Address:**

101 City Hall Plaza  
Durham, NC 27701  
(919) 560-4570  
[www.ci.durham.nc.us](http://www.ci.durham.nc.us)

### **Office Location:**

401 E. Lakewood Avenue  
Heritage Square Shopping Center  
Durham, NC

## Table of Contents

Introduction .....	3
Pre-qualifying Criteria .....	4
Application .....	8
Application cover page .....	9

### Application Sections

Section I: Project, Service or Activity Description.....	10
Section II: Meeting a National Objective-low/mod benefit.....	11
Section III: Meeting a National Objective-slum and blight.....	13
Section IV: Meeting a National Objective-urgent need.....	15
Section V: Project Development-Public Facility and Improvements .....	15
Section VI: Housing Development.....	18
Section VII: Public Service .....	20
Section VIII: Economic Development .....	22
Section IX: Rehabilitation .....	25

### Other Required Application Information

Section X: Environmental Considerations .....	27
Section XI: Historic Preservation Considerations.....	28
Section XII: Budget.....	29
Section XIII: Mission Statement.....	31
Section XIV: Citizen Participation .....	32
Section XV: CDBG Application Submission Checklist .....	32

### Certifications

CDBG Application Certification.....	34
Conflict of Interest.....	35
Compliance Requirements .....	37
Area Median Income Limits.....	39

## INTRODUCTION

---

Welcome to the City of Durham's Department of Housing and Community Development's (DHCD) annual Community Development Block Grant application process. What follows is our FY 2004-05 application package.

The department requires the completion of this application package for CDBG funds. CDBG funds are provided through an annual entitlement grant process administered by the U.S. Department of Housing and Urban Development, which makes these funds available to the City to support the department's 5-year Consolidated Plan. Funds awarded to applicants support the department's implementation of that plan. CDBG funds, as adopted by the U.S. Congress in 1974, are intended to ensure decent housing and provide for economic opportunities, principally for the benefit of low- and moderate-income persons.

In order to ensure the success of your application, and to assist the department with its determination of an applicant's eligibility for CDBG funds, the table that follows describes requirements that must be met.

Should your agency not meet these requirements, we would encourage you to discuss your questions and issues with staff, who can make recommendations on how you may qualify for future funding opportunities.

## Pre-Qualification Criteria

In order to qualify for FY 2004-05 CDBG funding, your agency must be able to meet or provide the following as described in the table below:

REQUIREMENTS	DOCUMENTATION
1. The applicant must have had nonprofit 501(c)(3) status for at least one (1) full year, or have two (2) full years of operating experience under another non-profit entity which meets this criteria. Or, be a for-profit entity proposing to use CDBG funds for an eligible activity.	A Copy of an IRS 501(c)(3) designation letter.
2. The applicant must be registered and licensed to do business in the State of North Carolina at the time of the application.	A current certification from the NC Secretary of State. For assistance, call (919) 807-2225 or go to <a href="http://www.secretary.state.nc.us/corporations">www.secretary.state.nc.us/corporations</a>
3. The applicant must have at least twelve (12) months experience in an area directly related to the proposed activity, or be partnered with a non-profit which has such experience, or have principal staff with such experience.	Letters of support, funding commitments, resumes of principal staff, or descriptions of past activities.
4. The applicant must have a financial statement, which covers at least the most recent twelve (12) months of operation, prepared by a qualified accountant or accounting service. An annual independent audit of the agency must be submitted with the application and should be no older than twelve (12) months prior to the application.	Two (2) copies of the audit or financial statement, which meets the criteria described.
5. The applicant must submit a written copy of its financial management procedures, including staff responsibilities and required procedures.	A copy of the agency's written financial management procedures.
6. The applicant must take into account other federal regulations pertaining to M/WBE, Davis-Bacon wage compliance, Equal Opportunity, etc.	A signed statement that the agency acknowledges its responsibilities under these federal regulations as listed on page 36.

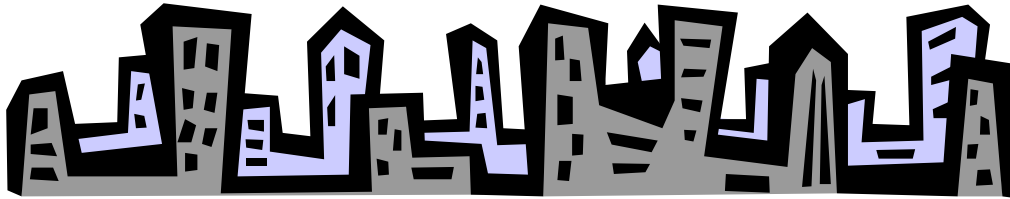
## Other Qualification Criteria and General Information

1. The City of Durham currently has an annual funding cycle. For this current funding cycle, FY 2004-05 CDBG funds will be awarded to eligible applicants who meet CDBG program requirements and HUD regulations.
2. Applicants must complete the budget table on page 29 for FY 2004-05 specifying the amount of funds requested.
3. The amount of funding awarded to an applicant from the program year will be based on the implementation and expenditure schedule provided for the project. The implementation and expenditure timeline should be included as specified in the CDBG Application Submission Checklist on page 32 at the conclusion of the application. It is imperative that the implementation schedule detail the major components of the project, service or activity, the timing of each phase or component, and the projected requests for reimbursement dates. This information must be included in the CDBG application and will be used to develop "Attachment A" of the applicant's contract with the City. **Although the fiscal year will be July 1, 2004 – June 30, 2005, no contracts can be executed until the City has executed funding agreements with HUD. The City generally receives its funding agreement from HUD in August of each year.**
4. The CDBG program has limited funding; therefore, the City will emphasize the award of funds for the priorities it has identified in its 5-year Consolidated Plan. The City will also emphasize this to agencies that have multiple funding sources for their projects or services.
5. Applicants should present documentation that the project, service or activity to be funded with CDBG funds will meet a HUD National Objective. To qualify under a National Objective means that the project, service or activity must meet at least one of the following (a, b or c):
  - a. Benefit low- and moderate-income (L/M) persons.
    - i. Low- and moderate-income persons are those whose household incomes are at or below 80% of the median income, as adjusted for family size, and as determined by HUD through the Section 8 Housing Assistance Payments Program, for the Raleigh-Durham-Chapel Hill MSA;
  - b. Prevent or eliminate slums or blight.
    - i. To qualify under the National Objective of addressing slums/blight the proposed activity must address these conditions on a "spot basis" or be a designated urban renewal activity that is part of an Urban Renewal project area or Neighborhood Development Plan (NDP). Examples include clearance, relocation, historic preservation or rehabilitation of buildings.
  - c. Meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.
    - i. An example of an urgent need for which a City may use CDBG funds would include a flood or earthquake that threatens the community's residents with the spread of disease.

6. CDBG funds are intended to be **gap financing**. Applicants must document other funding sources that are committed to the proposed project, service or other eligible activity that will be used in conjunction with the City's CDBG funds. Funding through the CDBG Program is awarded competitively. Applications are rated and then ranked against all other applications submitted.
7. Some of the eligible activities under the CDBG program can include the following:
  - a. Acquisition and disposition of real property
  - b. Improvements to public facilities
  - c. Clearance of land
  - d. Delivery of public services
  - e. Relocation expenses
  - f. Code enforcement
  - g. Special economic development activities
8. Agencies that are currently receiving City CDBG funds, who are also applying for FY 2004-05 CDBG funds, must be in compliance with all terms of their current agreement and must not have any outstanding monitoring findings or concerns as determined by the City or HUD.
9. Nonprofit agencies must have an active Board of Directors and must submit a board membership list with their application.
10. All applications must be received by 4:30 p.m. Friday, December 19, 2003. Applications must be postmarked by this date or hand-delivered to the Department of Housing and Community Development at 401 E. Lakewood Avenue in the Heritage Square Shopping center in the Hayti Community. Applications postmarked or received after this date and time **will not be accepted**.
11. Applications must be typewritten and include all requested information in the prescribed format that follows the CDBG Application Submission Checklist on page 32.
12. Applications received that do not follow the prescribed format or provide all requested information will not be considered for funding. Because of the number of requests received annually, the City cannot contact agencies for information that may be missing from applications. Please be sure your application is complete based upon the CDBG Application Submission Checklist.
13. Applications must be for an eligible CDBG activity as prescribed by HUD regulations and must meet a National Objective. For low- and moderate-income projects or services, income limits are attached to this CDBG program application supplement to assist applicants in determining income eligibility. Applicants should clearly document the numbers of projected beneficiaries in each income category who will be served by the proposed project or service funded with CDBG funds. Remember: CDBG funds must benefit those **at or below** 80% of the area median income.
14. Applicants who wish to submit an application for the elimination of slum and blight or urgent needs must consult with the City **prior** to the submission of their application. Most applications will not meet these National Objectives as defined in Sections 6b and 6c above.
15. Each applicant must submit one original and two copies of their application. Original copies must contain original signatures and not duplications.

16. The instructions to applicants for the completion of the 2004-05 CDBG applications for project or service funding are as follows:
- a. Please read the entire CDBG program application and supplement provided, prior to submitting an application for funding.
  - b. Provide all requested information. Incomplete applications will not be considered.
  - c. Use the first page of the application (page 9) as the first page of the total application document to be submitted.
  - d. Follow the format of the application document in the presentation of information.
  - e. Submit all requested attachments with the application.
  - f. Submit completed applications no later than 4:30 p.m., Friday, December 19, 2003, to the Department of Housing and Community Development 401 E. Lakewood Avenue, or have application postmarked by this date.
17. For additional information regarding this application and the CDBG Program, please contact Shannon Pittman, Federal Programs Manager, at (919) 560-4570, ext. 262.
18. For additional information on the Community Development Block Grant Program, visit HUD's website at [www.hud.gov/offices/cpd](http://www.hud.gov/offices/cpd).
-

**CITY OF DURHAM  
COMMUNITY DEVELOPMENT BLOCK  
GRANT PROGRAM**



**FY 2004-05  
APPLICATION FOR FUNDING**

**APPLICATION**



## FY 2004-05 CDBG Application

---

This page is to be submitted as the cover page for your application. Applications must be submitted in the format described on page 32.

### Applicant Information

Applicant's Name \_\_\_\_\_

Street Address \_\_\_\_\_

Mailing Address \_\_\_\_\_

Telephone Number \_\_\_\_\_

Fax Number \_\_\_\_\_

E-Mail Address \_\_\_\_\_

### Project, Service or Activity Information

CDBG Funding Requested        \$ \_\_\_\_\_

Proposed project, service  
or activity name \_\_\_\_\_

Street Address \_\_\_\_\_

City, State, Zip Code \_\_\_\_\_

## Section I: Project, Service or Activity Description.

1. Please provide a narrative description of **no more than two pages** for your proposed project, service or activity. Your narrative must include, but is not limited to the following:
  - a. What is the goal of the proposed project, service or activity to be funded with CDBG?
  - b. How does this project, service or activity meet a National Objective (see Sections II, III and IV)?
  - c. What target population will be served?
  - d. How will you measure the success or impact of your receiving CDBG funds on the target population? Be specific regarding the outcomes<sup>1</sup> you expect. Provide output<sup>2</sup> measurements for the results. Specify what follow-up or tracking will be done to ensure outcomes are met? How will the project, service or activity's impact on the target population be evaluated?
  - e. What objective documentation or research justifies the need for CDBG funding to support this project, service or activity?
  - f. What other resources already exist in the City of Durham for your target population to be served with CDBG funds?
2. Please provide the following for the project, service or activity you described above:
  - a. What National Objective will be addressed? Please check only one category for the National Objective that applies to your project, service or activity.
    - ☐ Benefits low- and moderate-income persons (complete pages 11-13);
    - ☐ Prevents or eliminates slum and blight (complete pages 13-14)
    - ☐ Meets an urgent need (complete page 15).
  - b. What type of project, service or activity are you proposing? Please check only one category. Complete only the section or sections that apply and submit with your application. See CDBG Application Submission Checklist on page 31 for further information on the format of your completed application.

### Categories:

- ☐ Public Facility and Improvements project: page 15;
- ☐ Housing Development Project: page 18;
- ☐ Public Service activity: page 20;
- ☐ Economic Development activity page 22;
- ☐ Rehabilitation: page 25.

---

<sup>1</sup> Outcomes are the benefits for the participants.

<sup>2</sup> Quantifiable products of tasks such as the number of housing units rehabilitated, the number of people housed, the number of jobs created, the number of persons who received job training, the number of homeless people who received shelter, etc.

## Section II: Meeting a National Objective – L/M Benefit.

CDBG projects, services and activities should meet only one National Objective. Please answer the questions for only the National Objective that you checked.

### 1. National Objective: Low- and Moderate-Income Benefit.

- a. Projects, services and activities that provide a benefit to low- and moderate-income persons can be one of two types:

- i. Area Benefit; or
- ii. Limited Clientele
- iii. Refer to the CDBG program application supplement to determine which category best fits your project. Complete either Section b: Area Benefit or Section c: Limited Clientele below.

b. Area Benefit Project:

- i. Indicate the Census Tract(s) and Block Group(s) in which the service area for your project, service or activity is located.

- 1. Census Tract \_\_\_\_\_
- 2. Block Group \_\_\_\_\_
- 3. How many residents live in this area? \_\_\_\_\_
- 4. What is the percentage of low- and moderate-income beneficiaries in the service area? \_\_\_\_\_ %
- 5. What documentation did your Agency use to determine the answers to the above questions? Please check only one.
  - ☐ Census Data
  - ☐ Surveys<sup>3</sup>
  - ☐ Other (Please explain) \_\_\_\_\_

c. Limited Clientele Benefit Project, Service or Activity:

- i. How many unduplicated people will use and benefit from your project?  
\_\_\_\_\_
- ii. Does the project, service or activity primarily benefit a specialized population such as (check those that apply):
  - ☐ Abused children
  - ☐ Battered spouses
  - ☐ Elderly persons
  - ☐ Homeless persons
  - ☐ Illiterate adults
  - ☐ Persons living with AIDS
  - ☐ Severely disabled adults as defined by the Bureau of Census<sup>4</sup>

---

<sup>3</sup> If a survey was used, please attach completed surveys. A sample survey form is included in the CDBG program application supplement.

Describe how this project, service or activity assists this population:

---

---

---

Describe the method you will use to determine and document that at least 51% of people served by the project, service or activity will be low- or moderate-income residents of Durham City/County.

---

Does your project, service or activity serve individuals (job training, drug counseling, etc.) or households (housing rehabilitation, housing counseling, down payment assistance, etc.)? Please explain.

---

---

What are the incomes of the beneficiaries? Refer to the attached area median income chart for income limits.

	Number at 50% Median or Below	Number at 50%-80% of Median	Number over 80% of Median
Individuals			
Households			

Based on the information you provided, what is the percentage of low- and moderate-income beneficiaries? \_\_\_\_\_ %

What percentage of low- and moderate-income beneficiaries are male single head-of-households with children? \_\_\_\_\_ %

What percentage of low- and moderate-income beneficiaries are female single head-of-households with children? \_\_\_\_\_ %

---

<sup>4</sup> Census definition of severely disabled. Persons are classified as having a severe disability if they:

- Used a wheelchair or another special aid for six months or longer.
- Are unable to perform one or more “functional activities” or need assistance with activities of daily life such as getting around the home, bathing, cooking, eating, and toileting. It includes seeing, hearing, having one’s speech understood, lifting and carrying, walking up a flight of stairs and walking.
- Are prevented from working at a job or doing housework.
- Have a selected condition including autism, cerebral palsy, Alzheimer’s disease, senility or dementia, or mental retardation.
- Persons under 65 years of age and who are covered by Medicare or receive Supplemental Security Income (SSI) are considered to meet the definition of “severely disabled.”

List the characteristics of all the beneficiaries who will be served:

White \_\_\_\_\_ %

African-American \_\_\_\_\_ %

Hispanic/Latino \_\_\_\_\_ %

Asian \_\_\_\_\_ %

Other \_\_\_\_\_ %

### **Section III: Meeting a National Objective – Prevent or Eliminate Slum & Blight.**

Only answer the questions below if you checked this box on page 10.

#### **1. National Objective: Elimination of a Slum or Blighted Condition:**

- a. What is the condition addressed by your project (e.g. deteriorated buildings, lack of adequate infrastructure)?

---

---

- b. Describe the comprehensive strategy that will be implemented to address the conditions described above.

---

---

- c. Please attach a copy of the municipal board resolution designating the area as slum and blight. Date of the Resolution \_\_\_\_\_. This attachment is labeled Attachment \_\_\_\_\_ in your application.

- d. List the number of buildings in the designated slum and blight area:

\_\_\_\_\_ Commercial buildings                      \_\_\_\_\_ Residential buildings

\_\_\_\_\_ Mixed-use buildings                      \_\_\_\_\_ Industrial buildings

- e. How many of the buildings listed in “d” have code violations?

\_\_\_\_\_ Commercial buildings                      \_\_\_\_\_ Residential buildings

\_\_\_\_\_ Mixed-use buildings                      \_\_\_\_\_ Industrial buildings

- f. Of the buildings listed, how many are vacant?

\_\_\_\_\_ Commercial buildings                      \_\_\_\_\_ Residential buildings

\_\_\_\_\_ Mixed-use buildings                      \_\_\_\_\_ Industrial buildings

\_\_\_\_\_ 2<sup>nd</sup> Floor retail/commercial                      \_\_\_\_\_ 2<sup>nd</sup> floor residential

- g. Give a brief description of the City’s code enforcement program as it relates to your project, service or activity:

---

## Section IV: Meeting a National Objective - Urgent Need.

In order to qualify an activity under the National Objective to meet an Urgent Community Development Need, an activity must be designed to alleviate existing conditions in which the applicant certifies that all of the following are present:

1. The existing conditions pose a serious and immediate threat to the health, safety and welfare of the community.
2. The existing conditions are of recent origin (within the last 18 months).
3. The applicant is unable to finance the activity.
4. Other resources for funding are not available.

A condition will generally be considered of recent origin if it developed or became critical within 18 months preceding certification. Activities meeting the urgent needs criteria involve emergency or disaster situations with substantial costs which will over extend the ability of the community to pay the costs through taxation.

Examples of activity meeting the urgent community need objective can include the following:

1. Ruptured sewer or water mains.
2. Damages resulting from major natural disasters, such as floods, hurricanes, earthquakes, etc.

For an applicant that believes that an urgent need of this type exists in the community, for which there are no other funds available, please describe the conditions:

When did the condition occur? \_\_\_\_\_

From what sources did the community seek financing to address the urgent need?

\_\_\_\_\_  
\_\_\_\_\_

## Section V: Project Development – Public Facility & Improvement Project

This section is designed to help the City determine the readiness of your project.

### 1. Pre-development

a. Will the project require land acquisition?

- ☐ Yes - If yes, please answer questions b-e.
- ☐ No
- ☐ N/A

b. Has an appraisal been completed?

- ☐ Yes
- ☐ No
- ☐ N/A

c. Do you have an option to purchase the property?

- ☐ Yes
- ☐ No
- ☐ N/A

d. Will the project require the relocation of owners or tenants, either residential or commercial?

- ☐ Yes
- ☐ No
- ☐ N/A

e. Does your project budget include funds for relocation expenses?

- ☐ Yes
- ☐ No
- ☐ N/A

## 2. Site Control and Development

a. Does the applicant own the property?

- ☐ Yes - If yes, attach a copy of the deed
- ☐ No
- ☐ N/A

b. If no, is the property leased?

- ☐ Yes - If leased, attach a copy of the lease and a letter of support for the proposed project/service from the property owner.
- ☐ No
- ☐ N/A

c. Will the project require easements?

- ☐ Yes
- ☐ If yes, how many? \_\_\_\_\_
- ☐ No
- ☐ N/A

d. What is the current zoning of the proposed project?

---

e. Is the proposed project consistent with current zoning?

- ☐ Yes
- ☐ No
- ☐ N/A

f. Is there a topographical survey for the area?

- ☐ Yes - If yes, please attach a copy.
- ☐ No
- ☐ N/A

g. Have you obtained a property survey?

- ☐ Yes
- ☐ No
- ☐ N/A

### 3. Project Design and Management

- a. Have you retained the services of a consultant?
- ☐ Yes - If yes, please check the appropriate box(es):
    - ☐ Architect
    - ☐ Civil Engineer
    - ☐ Landscape Architect
    - ☐ Financial Analyst
    - ☐ Environmental/Soil Engineer
    - ☐ Attorney
    - ☐ Planner
  - ☐ No
  - ☐ N/A
- b. If you answered "no" to question #3a, how will you secure these services to manage the bidding, contracting, inspecting, and closeout of the project?
- 
- 
- c. Do you have architectural drawings and specifications?
- ☐ Yes
  - ☐ No
  - ☐ N/A
- d. Have you included a line item for lead-based paint abatement in your rehabilitation project budget?
- ☐ Yes - If yes, please refer to the CDBG program application supplement for requirements related to lead-based paint.
  - ☐ No
  - ☐ N/A
- e. Have you identified a developer?
- ☐ Yes
  - ☐ No
  - ☐ N/A
- f. Will a review of the project be required by (Please check all those that apply):
- ☐ Architectural Review Board
  - ☐ Local Building Inspections Department
  - ☐ State Department of Transportation
  - ☐ County or Local Public Works
  - ☐ County Board of Health
  - ☐ Zoning Board of Appeals
  - ☐ Planning Commission
  - ☐ Other (Specify) \_\_\_\_\_
- g. Are you aware of any other current or proposed projects, such as County, Federal, or State projects that may affect the timing of your project?
- ☐ Yes
  - ☐ No
  - ☐ N/A



- h. If yes, please list the project(s), estimated date(s) of construction, and agency(ies) responsible for the project.

---

---

---

- i. Who will be responsible for the maintenance of this project upon completion?

---

## Section VI: Housing Development

1. There are only two (2) circumstances under which CDBG funds may be used to fund the construction of new housing:
  - a. To complete a housing construction project through a Housing Development Grant under Section 570.201(m) of the CDBG regulations.
  - b. To construct housing of last resort to provide suitable replacement housing for persons to be displaced by a contemplated CDBG project, subject to the Uniform Relocation Act, and the project is prevented from preceding because the required replacement housing is not available otherwise.
2. Other than in these two (2) situations, new housing construction is **ineligible** under the CDBG program, unless carried out under the authority of the basic eligibility category pertaining to CBDOS (Community-based Development Organizations) as referenced in Section 570.207(b)(3) of the CDBG regulations.
3. However, it is important to note that several activities which **support** new housing may be carried out using CDBG funds even though the actual housing construction cost are being supported by other resources. The following are examples of supportive activities:
  - a. Acquisition of sites on which buildings will be constructed for the use or resale of housing.
  - b. Clearance of toxic contaminants of property to be used for the new construction of housing.
  - c. Site improvements to publicly owned land to enable the property to be used for the new construction of housing, provided the improvements are undertaken while the property **is still in public ownership**.
  - d. The cost of disposing of real property, acquired with CDBG funds, which will be used for new construction of housing.

4. If you are proposing to submit an application for CDBG funds for any of these permitted housing-related activities, please describe those activities and how they support your housing project:

---

---

---

5. Do you have site control (i.e. contract for deed, deed, purchase agreement, option agreement)?

- ☐ Yes  
☐ No  
☐ N/A

6. Have you obtained a property survey?

- ☐ Yes  
☐ No  
☐ N/A

7. Have you secured funding from other sources, other than CDBG, for the construction of the new housing?

- ☐ Yes  
☐ No  
☐ N/A

8. What are your sources and amounts?

Source	\$ Amount
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
Total	\$ <hr/>

9. Do you have architectural drawings for the new housing?

- ☐ Yes  
☐ No  
☐ N/A

10. Have you identified a developer?

- ☐ Yes - If yes, developer name? 

---

  
☐ No  
☐ N/A

11. Will the new housing project require review by (check all that apply):

- ☐ Local Building Inspections Department  
☐ Planning Department  
☐ Planning Commission  
☐ Board of Zoning Appeals  
☐ Other (specify) 

---

12. Have you retained the services of a design or other consultant (check all that apply)?

- ☐ Architect
- ☐ Builder
- ☐ Civil Engineer
- ☐ Landscape Architect
- ☐ Environmental / Soil Engineer
- ☐ City Planner
- ☐ Attorney
- ☐ Financial Analyst

13. Other information you wish to provide related to this new housing construction project:

---

---

14. Who will be responsible for the maintenance of the project when completed?

---

## Section VII: Public Service

1. Under this category, CDBG funds may be used to provide public services (including labor, supplies, materials and other costs), provided that each of the following is met:

a. The public service must be either:

- i. A new service; or
- ii. A quantifiable increase in the level of a service above that which has been provided by or on behalf of the unit of general local government through funds raised by such unit, or received by such unit from the State in which it is located during the twelve (12) months prior to submission of the City's Annual Action Plan.

b. The amount of CDBG funds obligated within a program year to support public services under this category may not exceed 15% of the total grant award for that year, including 15% of the total program income received in the previous year.

c. Public Services include, but are not limited to the following:

- ☐ Child Care
- ☐ Health Care
- ☐ Job training
- ☐ Recreation programs
- ☐ Education programs
- ☐ Public safety services
- ☐ Fair housing activities
- ☐ Services for senior citizens
- ☐ Services for homeless persons
- ☐ Drug abuse counseling and treatment
- ☐ Energy conservation counseling and testing
- ☐ Homebuyer downpayment assistance
- ☐ Welfare (excluding the provision of income payments at Section 570.207(b)(4) of the CDBG regulations)

2. What services does your agency provide?

---

3. How will funds requested in this application support these services?

---

---

---

4. Is your service the continuation of a current service?

- ☐ Yes
- ☐ No

5. Is your application requesting funds for providing a service expansion?

- ☐ Yes
- ☐ No

6. Have you received CDBG funds previously to operate this service?

- ☐ Yes
- ☐ No

7. If yes, what year(s) and how much were you awarded?

Year	\$ Award
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>

8. If this program is not currently in operation, do you have staff to implement the services?

- ☐ Yes
- ☐ No

9. Do you have office space to accommodate the proposed service?

- ☐ Yes
- ☐ No

10. Have you identified other funding sources?

- ☐ Yes
- ☐ No

11. What are the funding sources? Please list source and amount.

Source	\$ Amount
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
Total	\$

12. Please attach award letters from the other funding sources. These should be labeled Attachment and included in the application.
13. What is the proposed start date for this program? \_\_\_\_\_
14. Please explain your plan to identify clients for this service.

---

---

---

15. Other information you wish to provide regarding the status of this program:

---

---

### **Section VIII: Economic Development**

1. Economic development can be interpreted very broadly to include all endeavors aimed at sustaining or increasing the level of business activity in a community. When the Consolidated Plan regulations were published in 1995, to meet the broad intent of the Housing and Community Development Act of 1974 as amended, economic development included:
  - a. Job creation and retention.
  - b. Establishment, stabilization and expansion of small businesses (including microbusinesses).
  - c. The provision of public services concerned with employment.
  - d. The provision of jobs involved in carrying out activities under programs covered by the Consolidated Plan to low-income persons in areas affected by those programs and activities.
  - e. Availability of mortgage financing for low-income persons at reasonable rates using nondiscriminatory lending practices.
  - f. Access to capital and credit development activities that promote the long-term economic and social viability of the community.
  - g. Empowerment and self-sufficiency opportunities for low-income persons to reduce generational poverty in federally assisted public housing.
2. Under the CDBG program there is also a category of economic development defined as "special economic development activities."
  - a. CDBG funds may be used for the following special economic development activities.
    - i. Commercial or industrial improvements carried out by a nonprofit, including:
      1. Acquisition
      2. Construction
      3. Rehabilitation
      4. Reconstruction
      5. Installation of commercial or industrial buildings or structures and other related real property equipment and improvements.

- b. Assistance to private, for-profit entities for an activity determined by the City to be appropriate to carry out an economic development project. This assistance may include, but is not limited to the following:
    - i. Grants
    - ii. Loans
    - iii. Loan guarantees
    - iv. Interest supplements
    - v. Technical assistance
    - vi. Any other form except for those specifically prohibited by the CDBG regulations (as published at 24 CFR Part 570.207)
  - c. Under this type of assistance, the City, a nonprofit and/or a for-profit shall minimize, to the extent practical, displacement of existing businesses and jobs in neighborhoods.
- 3. Economic development services in connection with the above subcategories, including the following:
  - a. Outreach efforts to market available forms of assistance.
  - b. Screening of applicants, reviewing and underwriting applications for assistance.
  - c. Preparation of agreements, management of assisted activities, and the screening, referral, and placement of applicants for employment opportunities generated by CDBG-eligible economic development activities.
  - d. The costs of providing necessary job training for person filling those positions may also be provided.
- 4. CDBG funds provided to for-profit entities will require appropriate due diligence through financial underwriting performed by the City for any assistance being provided.
- 5. What economic development service or activity does your agency provide or is proposing to provide with CDBG funds?  

---

---
- 6. How will funds requested in this application support these services or activities?  

---

---
- 7. Is your service or activity the continuation of a current service?
  - ☐ Yes
  - ☐ No
- 8. Is your application requesting funds for providing a service expansion?
  - ☐ Yes
  - ☐ No
- 9. Have you received CDBG funds previously to operate this service?
  - ☐ Yes
  - ☐ No

10. If yes, what year(s) and how much were you awarded?

Year	\$ Award
_____	_____
_____	_____
_____	_____
_____	_____

11. If this program is not currently in operation, do you have staff to implement the services?

- ☐ Yes  
☐ No

12. Do you have office space to accommodate the proposed service?

- ☐ Yes  
☐ No

13. Have you identified other funding sources?

- ☐ Yes  
☐ No

14. What are the funding sources? Please list source and amount.

Source	\$ Amount
_____	_____
_____	_____
_____	_____
Total	\$ _____

15. Please attach commitment letters from the other funding sources. These should be labeled Attachment and is included in the application.

16. What is the proposed start date for this program? \_\_\_\_\_

17. Please explain your plan to identify clients for this service or activity.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

18. Other information you wish to provide regarding the status of this program:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Section IX: Rehabilitation

1. CDBG funds may be used to finance the costs of rehabilitation. This includes rehabilitation of the following:
  - a. Residential property, whether publicly or privately owned.
  - b. Commercial/industrial property, but where such property is owned by a for-profit, rehabilitation is limited to exterior improvements of the buildings and the correction of code violations.
  - c. Nonprofit-owned, nonresidential buildings and improvements not considered public facilities or improvements under the CDBG regulations.
2. Eligible types of assistance:
  - a. Costs of labor, materials, supplies and other expenses required for the rehabilitation of the property.
  - b. Financing through grants, loans, loan guarantees, interest supplements and other forms of financial assistance.
  - c. Loan refinancing for existing indebtedness secured by the property being rehabilitated with CDBG funds.
  - d. Property acquisition for the purposes of rehabilitation and to rehabilitate for use or resale for residential purposes.
  - e. Installation of sprinkler systems, smoke detectors and other security devices.
  - f. Costs of **initial** homeowner warranty premiums, hazard insurance and flood insurance premiums needed to protect the City's interest when loaning funds for these improvements.
  - g. Costs required to increase the efficient use and energy conservation of structures.
  - h. Costs to connect existing residential structures to water distribution systems or sewer collection lines.
  - i. Tools to be lent to owners, tenants and others who will carry out the rehabilitation.
  - j. Barrier removal that restricts mobility and access by the disabled and elderly.
  - k. Landscape, sidewalk and driveway installation when incidental to other rehabilitation to the property.
  - l. Renovation of closed buildings.
  - m. Historic preservation.
  - n. Lead-based paint removal.
  - o. Other miscellaneous rehabilitation-related services.
3. Ineligible types of assistance:
  - a. Creation of a secondary housing unit attached to a primary unit.
  - b. Installation of luxury items, such as swimming pools.
  - c. Equipment, furnishings or personal property not an integral structural fixture.
  - d. Labor costs for homeowners to rehabilitate their own property.
4. If you are proposing to submit an application for CDBG funds for any of these permitted rehabilitation activities, please describe your project:  
  

---

---

---



5. Do you require site control for this project (i.e. contract for deed, deed of trust, purchase agreement, option agreement)?

- ☐ Yes
- ☐ No

6. Is a property survey required for this rehabilitation project?

- ☐ Yes
- ☐ No

7. Have you secured funding from other sources, other than CDBG, for the construction of the new housing?

- ☐ Yes
- ☐ No

8. What are your sources and amounts?

Source	\$ Amount
_____	_____
_____	_____
_____	_____
Total \$ _____	

9. Do you have architectural drawings for the rehabilitation project?

- ☐ Yes
- ☐ No

10. Have you identified a potential rehabilitation contractor?

- ☐ Yes - If yes, contractor name? \_\_\_\_\_
- ☐ No
- ☐ N/A

11. Will the rehabilitation project require review by any of the following:

- ☐ Local Building Inspections Department
- ☐ Planning Department
- ☐ Planning Commission
- ☐ Board of Zoning Appeals
- ☐ Other (specify) \_\_\_\_\_

12. Have you retained the services of other design consultants?

- ☐ Architect
- ☐ Builder
- ☐ Civil Engineer
- ☐ Landscape Architect
- ☐ Environmental/Soil Engineer
- ☐ City Planner
- ☐ Attorney
- ☐ Financial Analyst

13. Other information you wish to provide related to this rehabilitation project:

---

14. Who will be responsible for the maintenance of the project when completed?

---

---

---

## SECTION X: Environmental Considerations

1. Listed below are environmental issues concerning **ALL** projects. Please check the boxes applicable to your project. These questions apply **only to projects**. However, an Environmental Review must be conducted on **all** CDBG-funded activities, including application for the provision of public services. The City will complete public service reviews separately from projects. Please answer the following for your project.

a. The project is located by, adjacent to, or will impact or be impacted by:

i. A 100-year flood plain

☐ Yes

☐ No

b. A railroad (within 15 miles)

☐ Yes

☐ No

c. A State or County Road. If yes, name the road.

---

☐ Yes

☐ No

d. The age of the structure (Please indicate the age of the structure and your source of data).

\_\_\_\_\_ Years

e. Lead-based paint. Was the building or house constructed before 1978?

☐ Yes

☐ No

f. A heavily traveled street (within 1000 feet) from centerline or median.

☐ Yes

☐ No

g. The installation or rehabilitation of storm or sanitary sewer systems.

☐ Yes

☐ No

h. A zoning or special permit action.

- ☐ Yes
- ☐ No

i. Has a private environmental firm initiated or completed an Environmental Review for this project? If yes, include documentation.

- ☐ Yes
- ☐ No

## SECTION XI: Historic Preservation Considerations

1. Listed below are historic preservation questions relevant to all construction projects for which CDBG funds are requested and received. Please check the boxes applicable to your project.

a. Is the proposed project adjacent to, or will it involve, or impact buildings or districts eligible for or listed in the National or State Register of Historic Places?

- ☐ Yes
- ☐ No

b. If yes, which buildings or districts?

---

c. Describe the impact of the proposed project on these buildings or districts.

---

---

---

d. Does the community in which the project will be located, have a local landmark ordinance or designated historic district?

- ☐ Yes
- ☐ No

e. Are any of the buildings adjacent to, involved in, or affected by the proposed project locally designated as **individual** landmarks, or as part of a local historic district?

- ☐ Yes
- ☐ No

g. If yes, which buildings?

---

---

h. Describe the impact of the proposed project on the locally designated buildings.

---

---

## Section XII: Budget

Please complete the project, service or activity budget table. Attach other sheets as necessary.

A. List all line items included in your project, service or activity budget.	B. CDBG funds requested.	C. Other source(s) of funding. Identify source.	D. Total (B + C)
1.	\$	\$	\$
2.	\$	\$	\$
3.	\$	\$	\$
4.	\$	\$	\$
5.	\$	\$	\$
6.	\$	\$	\$
7.	\$	\$	\$
8.	\$	\$	\$
9.	\$	\$	\$
10.	\$	\$	\$
11.	\$	\$	\$
12.	\$	\$	\$
13.	\$	\$	\$
14.	\$	\$	\$
15.	\$	\$	\$
16.	\$	\$	\$
17.	\$	\$	\$
18.	\$	\$	\$
19.	\$	\$	\$
20.	\$	\$	\$
21.	\$	\$	\$
22.	\$	\$	\$
23.	\$	\$	\$
24.	\$	\$	\$
25.	\$	\$	\$
26.	\$	\$	\$
27.	\$	\$	\$
28.	\$	\$	\$
29.	\$	\$	\$
30.	\$	\$	\$
Totals			

Other items needed for the budget:

1. Include commitment letters from other funding sources.
2. If you are using a cost estimate for a construction project, please attach a copy of the cost estimate, and the name and telephone number of the person who prepared the cost estimate.
3. Based on the budget prepared, what is the cost per beneficiary for your project? (This number should be consistent with the number listed as the anticipated number of beneficiaries. Also, explain how the cost per beneficiary was calculated).
4. Please note that General Liability (\$1 Million), Automobile Liability Insurance, if appropriate, and Fidelity Bond (100% of contract amount) are usually required for all contractors. Costs for coverage should be included in this budget summary. If you do not already have this coverage, this is an eligible CDBG expense.
5. All projects funded with CDBG funds must have an annual independent audit. Agencies with total annual federal or federally derived funding of \$300,000 or more must have an annual A-133 audit. The cost of conducting this audit is an eligible CDBG expense. As a condition of funding, the City also requires all subrecipients submit an audit of awarded CDBG funds within 120 days of the end of the agreement period.

**Budget Summary:**      **FY** \_\_\_\_\_

Cost per beneficiary	\$	_____
Amount requested from CDBG Program:	\$	_____
Amount requested from other sources:	\$	_____
Amount of your contribution:	\$	_____
<b>Total Project, Service or Activity Cost:</b>	<b>\$</b>	_____

### **Section XIII: For Nonprofit Applicants – Mission Statement**

Briefly explain how the proposed project is or is not consistent with the Agency's Mission Statement.

---

---

---

---

---

---

---

---

---

---

## Section XIV: Citizen Participation

An important aspect of the CDBG Program is citizen participation. Each application must include documentation indicating that citizens of the community in which the project/service is located have been informed of the project. This participation may be accomplished by, but is not limited to, conducting community meetings or public hearings where citizens are invited to comment on proposed projects.

### For Non-Profit Organizations:

Each application from a nonprofit organization must contain a resolution from the organization's Board of Directors endorsing the submission of the application. The resolution must include the following:

1. A statement from the Board indicating the project to be funded.
2. The amount of the CDBG funds requested in the application.
3. A statement of the amount to be contributed by the organization.

## SECTION XV: CDBG Application Submission Checklist

The following items must be submitted with the CDBG application as they apply to your project, service or activity. Please ensure that **all** information is included as requested and labeled. Incomplete applications or applications that do not follow the prescribed format will not be considered for funding.

- ☐ **One original** of the application with original signatures and **two copies**. All must be formatted and organized as outlined in the bulleted list below:
  - **Application Format**
    - Application Cover Sheet: page 9
    - Narrative Information, National Objective Determination, etc. : pages 10-18
    - Project, Service or Activity Determination: pages 18-26
    - Environmental Review Information: pages 27-28
    - Historic Preservation Considerations : pages 28
    - Budget : pages 29-30
    - Mission Statement Declaration : page 31
    - Citizen Participation : page 32
    - Attachments as required
    - CDBG Application Certification : page 34
    - Conflict of Interest Statement: pages 35-36
    - Other Applicable Federal Regulations: pages 37-38
- ☐ Attachment A: Area benefit map indicating service area for CDBG funded activity if Area Benefit is applicable.
- ☐ Attachment B: Most recent financial audit
- ☐ Attachment C: Endorsing Resolution
- ☐ Attachment D: Commitment letters from other funding sources documenting other funds to be used for the project covered by the City's CDBG funds if applicable
- ☐ Attachment E: An implementation and expenditure schedule for FY 2004-05 funding requests

The following items are also required for **nonprofit application submissions**. Please label all attachments.

- ☐ Attachment F: List of the active board members
- ☐ Attachment G: Certificate of IRS 501(c)(3) tax-exempt status
- ☐ Attachment H: Articles of Incorporation and By-Laws
- ☐ Attachment I: Agency's Mission Statement
- ☐ Attachment J: Organizational Chart
- ☐ Attachment K: Information documenting the agency's operating budget
- ☐ Attachment L: Optional letters of community support for the project to be undertaken by the agency

The following items are additional attachments and should be submitted **if applicable** to your application. Please label all attachments.

- ☐ Attachment M: Low/Moderate survey
- ☐ Attachment N: Topographical survey
- ☐ Attachment O: Deed(s)/Lease(s) of premise(s)
- ☐ Attachment P: Site plan/Schematic design
- ☐ Attachment Q: Cost estimate
- ☐ Attachment R: Consultant contract



### **CDBG Application Certification**

I certify that the application submitted for City of Durham CDBG funds is accurate and complete to the best of my knowledge and belief. If CDBG funds are awarded for the activities presented in this application, I will comply with the necessary certifications and assurances required by the City of Durham and HUD.

---

Name of Agency

---

Signature of Authorized Official

Date

---

Print Name of Authorized Official

Date

---

Address

City/State/Zip Code

---

Telephone Number

---

Fax Number

---

E-Mail Address

## **Conflict of Interest**

### **24 CFR Part 570. 611**

---

#### **1. Applicability**

- a. In the procurement of supplies, equipment, construction, and services by recipients and by subrecipients, the conflict of interest provisions in 24 CFR 85.36 and 24 CFR 84.42 respectively, shall apply.
- b. In all cases not governed by 24 CFR 85.36 and 84.42, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient or by its subrecipients to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g. rehabilitation, preservation, and other improvements of private properties entities pursuant to 570.203, 570.204, 570.455, or 570.703(i)).

#### **2. Conflicts Prohibited**

- a. The general rule is that no persons described in paragraph (3) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect for themselves or those with whom they have business (partner, share holder, or vested percentage) or immediate family ties, during their tenure or for one year thereafter.

#### **3. Persons Covered**

- a. The conflict of interest provisions of paragraph (2) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or any designated public agencies, or of subrecipients that are receiving funds under this part.

#### **4. Exceptions**

- a. Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it has satisfactorily met the threshold requirements of (d)(1) of this section, taking into account the cumulative effects of paragraph (d)(2) of this section.

**Non-Conflict of Interest Certification**

I certify that I am complying with the conflict of interest provision of 24 CFR Part 570.611.

I further understand and agree that in the event that such conflict of interest is determined to exist, my application may be rejected. I also understand that I may be required to return any CDBG funds previously awarded by the City of Durham.

---

Applicant's Signature

Date

## Certifications and Compliance Requirements

I hereby acknowledge that the regulations, public laws and local ordinances that follow may be applicable to the ultimate use of CDBG funds for which I am applying and that I will adhere to those that are determined to be applicable.

Applicant's Signature	Date
1. 24 CFR Part 85 Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally recognized Indian Tribal Governments.	
2. Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-7), and as supplemented by Department of Labor regulations (29 CFR, Part 5).	
3. Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by the Department of Labor regulations (29CFR, Part 5).	
4. Title VI of the Civil Rights Act of 1964 (PL88-352) and regulations issued pursuant thereto (24 CFR Part 1) on nondiscrimination in Federally assisted programs.	
5. Section 109 of the Housing and Community Development Act of 1974 and regulations issued pursuant thereto (24 CFR Part 570.612 et seq., known as subpart K).	
6. Executive Order 11246 and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60) on nondiscrimination in employment.	
7. Copeland "Anti-Kick Back" Act (18 U.S.C. 874).	
8. Section 3 of the Housing and Urban Development Act of 1968, as amended for training and employment of lower-income residents of projected areas and awarding of contracts.	
9. Lead-based Paint Poisoning Prohibition (PL91-695).	
10. North Carolina General Statutes 143-128 et seq.	
11. Hatch Act (5 U.S.C. 1501-1508).	
12. Building design, construction or alteration must comply with "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped" (#A-117.1-R 1971).	
13. Executive Order 11296 relating to evaluation of flood hazard.	
14. Title VIII of the Civil Rights Act of 1968 (PL 90-284), as amended Fair Housing Policy.	
15. Executive Order 11063 on equal opportunity in housing and nondiscrimination.	
16. Section 306 of the Clean Air Act (42 U.S.C. 1857(h))	
17. Environmental Protection Agency regulations (40 CFR, Part 15).	
18. Age Discrimination Act of 1967, as amended.	
19. The Rehabilitation Act of 1973, as amended, Sections 503 and 504, which prohibits discrimination against the handicapped.	
20. City of Durham's Disadvantaged Business Enterprise Plan.	

21. OMB Circular A-122 "Cost Principles for Non-Profit Organizations"
  22. Treasury Circular 1075 relating to the use of Community Development funds within 72 hours after drawdown.
  23. Community Development Administrative Regulations 24 CFR 570.
  24. N. C. Fair Housing Law.
  25. City of Durham Fair Housing Law.
  26. OMB Circular A-133 "Audits of States, Local Governments and Nonprofit Organizations. "
-

**CITY OF DURHAM**  
**DEPARTMENT OF HOUSING & COMMUNITY**  
**DEVELOPMENT**  
**2003 MEDIAN FAMILY INCOME CHART**  
 MEDIAN FAMILY INCOME-CITY/COUNTY DURHAM

**Effective: February 20, 2003**

<b>FAMILY SIZE</b>	<b>25%</b>	<b>30%</b>	<b>40%</b>	<b>50%</b>	<b>60%</b>	<b>80%</b>	<b>100%</b>
<b>1</b>	12,500	14,950	19,950	24,950	29,950	39,950	49,900
<b>2</b>	14,250	17,100	22,800	28,500	34,250	45,650	57,050
<b>3</b>	16,050	19,250	25,650	32,100	38,500	51,350	64,200
<b>4</b>	17,850	21,400	28,500	35,650	42,800	57,050	71,300
<b>5</b>	19,250	23,100	30,800	38,500	46,200	61,600	77,000
<b>6</b>	20,700	24,800	33,100	41,350	49,600	66,150	82,700
<b>7</b>	22,100	26,500	35,350	44,200	53,050	70,750	88,400
<b>8</b>	23,550	28,250	37,650	47,050	56,450	75,300	94,100

***Based on U.S. Department of Housing and Urban Development Income Limits for Section 8 Programs and Median Family Income for Raleigh/Durham/Chapel Hill, North Carolina.***

**FY 2003**